

MINUTES (Unapproved)
UTAH SOIL CONSERVATION COMMISSION (USCC) MEETING
January 24, 2006
Salt Lake City, UT

ATTENDANCE

Chairman (Standing USCC Ex-officio):
Leonard M. Blackham, *Commissioner, Utah Department of Agriculture and Food*

Appointed Soil Conservation District (SCD) Supervisor USCC Members:
S. Bruce Karren, *acting for Paul Leishman, Zone 1*
Dee Waldron, *Zone 2*
Wendell Stembriage, *acting for Richard Saunders, Zone 3*
Chad Anderson, *for Stanley Wood, 1st half of mtg, Zone 4*
Stanley Wood, *2nd half of mtg, Zone 4*
Ralph Stately, *Zone 5*
Willard "Bill" Rasmussen, *Zone 6*
Robert Barry, *Zone 7*

Appointed SCD Alternate USCC Members:
Ben Thurgood, *Zone 2*
Edward Bench Jr, *Zone 6*
Joe Begay, *Zone 7*

Standing Ex-Officio USCC Members:
Larry Johnson, *President, Utah Association of Conservation Districts (UACD)*
V. Philip Rasmussen, *UT State University Extension (USU)*
Walt Baker, *Water Quality Division, Utah Department of Environmental Quality*
Mike Styler, *Executive Dir. Utah Dept of Natural Resources*

Conservation Partners Representatives:
Sylvia Gillen, *State Conservationist, Natural Resource Conservation Service (NRCS-UT), USDA*
Gordon Younker, *Executive Vice President UACD*

Conservation Partners Representatives con't
Joe Hill, *Chair, Farm Service Agency (FSA) State Committee, USDA*
Lisa Bryant, *Soil and Weed Specialist, Bureau of Land Management, USDI*
Janice Richardson, *Water Management Coordinator, Bureau of Reclamation, USDI*
Thayne Mickelson, *Zone 1 Coordinator, UACD*
Ken Mills, *Zone 2 Coordinator, UACD*
Ray Loveless, *Zone 3 Coordinator, UACD*
David Pace, *Zone 4 Coordinator, UACD*
Tyce Palmer, *Zone 5 Coordinator, UACD*
Darrell Gillman, *Zone 6 Coordinator, UACD*

Commission Staff Support from the Utah Department of Agriculture and Food:
George Hopkin, *Director, Div. Conservation & Resource Management (DC&RM)*
K. N. "Jake" Jacobson, *USCC Admin. Officer, DC&RM*
Sherie Edginton, *USCC Secretary, DC&RM*
Dick Sandberg, *Administrator, Agricultural Loans Section, DC&RM*
Richard Leyba, *Loan Specialist, Agricultural Loans Section, DC&RM*
Roy Gunnell, *Environmental Scientist, DC&RM*
Mark Quilter, *Ground Water Specialist, DC&RM*

Guests:
Wallace Schulthess, *Farm Service Agency*
Mike Reichert, *Water Quality Division, UDEQ*
Kyle Stephens, *Deputy Commission, UDAF*
Rand Fisher, *Water Quality Division, UDEQ*
Robert Newhall, *USU Extension Service*
Randy Greenhalgh, *Juab SCD*
Bill Rigby, *Davis SCD*

SUMMARY OF COMMISSION ACTIONS

1. The Minutes of the November 1, 2005 USCC meeting approved. Page 2
2. Approval of Allocation of ARDL Funds to Zones Page 4
3. Approval of Changes to the ARDL Policy Pages 4-5

USCC MEETING - CALL TO ORDER

Commissioner Leonard Blackham, Utah Soil Conservation Commission (USCC) Chairman, called the meeting to order at 1:30 P.M.

APPROVAL OF MARCH MEETING MINUTES

Chairman Blackham indicated that copies of the November 1, 2005 USCC meeting minutes draft were distributed with the meeting notice. He asked for action on these minutes. **The motion was made by Mr. Bill Rasmussen to approve the November, 2005 USCC meeting minutes as distributed, seconded by Mr. Wendell Stembridge. The motion passed unanimously by voice vote.**

CHAIRMAN'S REPORT

Chairman Blackham reported that the Utah Legislature is in their 2006 session. The Grazing Improvement Program (GIP) proposal is being well received. This proposal has been developed with significant input from conservation partners and agricultural livestock producers across the state. A House bill is being draft to be introduced by Representative B. Johnson.. The purpose of GIP is to strengthen the grazing board and address grazing issues in the state.

Chairman Blackham proposes to have the current state weed board, the UACD board and the new state grazing board, when established, meet the morning of future USCC meetings; then, have representatives of each meet in the afternoon meet with the USCC to better coordinate activities of common interest and when appropriate jointly fund projects. Logistical details of these meetings and project approval process will be worked out after this Legislative session.

CONSERVATION PARTNERS UPDATE

UTAH DEPT of NATURAL RESOURCES (UDNR)

Mr. Mike Styler, UDNR Director, reported on the Legislative bills in this session that affect UDNR. One bill would clean up and update many of the UDNR laws. UDNR has requested another \$2 million to continue funding for Utah Partners for Conservation and Development (UPCD) Watershed Restoration Initiative projects.

SCD/ZONE 3

Mr. Ray Loveless, handed out a report listing the accomplishments and goals in Zone 3.

UTAH ASSOCIATION OF CONSERVATION DISTRICTS (UACD)

Mr. Larry Johnson reported that UACD supports GIP. The annual UACD sponsored Legislative breakfast will be held the next morning at the East Capitol building. He invited those at the meeting to attend this event.

UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY (UDEQ)

Mr. Walt Baker, Director of the Division Water Quality in UDEQ, reported on mercury contamination in some streams and water bodies of the state. There isn't a high amount, but there is some accumulation in fish in the Green River, Mill Creek by Moab and Gunlock reservoir. There was a health advisory on human consumption of ducks taken from the Great Salt Lake for high levels of mercury. There is a workgroup developing state standards for selenium in the Great Salt Lake.

There are 2006 Legislative bills addressing water re-use, sales tax for Bear River water projects and ground water use. UDEQ is working with a committee to update the manure lagoon liner policy that affects livestock waste management systems.

USDA FARM SERVICE AGENCY (FSA)

Mr. Joe Hill reported that 2005 was generally a productive year for Utah's agricultural producers. In 2005 USDA FSA paid out almost \$50 million to Utah's ag producers. There will be budget cut backs for 2006 in many programs. He indicated that Boyd Critchfield has retired as Utah state FSA Director and that the position's replacement process is underway. Mr. Hill introduced Wallace Schulthess, a current member of the State FSA Committee, who has applied for the Director position.

USDA NATURAL RESOURCE CONSERVATION SERVICE (NRCS)

Ms. Sylvia Gillen reported there is \$49 million Federal FY06 NRCS funds slated to come to Utah for projects and technical assistance. NRCS-UT are keeping the same funding pools as FY05: AFO/CAFO \$3.2 million, Colorado River Salinity \$7.9 million, Tribal RFP \$350,000 and Watershed Improvement \$4 million. Within these general categories last fiscal year \$2.1 million was spent on cropland improvements; this fiscal year \$1.8 million is allocated for this purpose. There was \$537,000 spent on pastureland improvement in FY05; \$466,000 is allocated for FY06. Forrest and rangeland received \$1.8 million in FY05; FY06 allocation is \$1.6 million. Riparian areas received \$104,000 in FY05, and it will have the same allotment for FY06. Wildlife habitat improvements received \$1.4 million in FY05; FY06 \$400,000 is allocated for private land owners applications for this purpose. Also, \$1 million was set aside for conservation partnership programs during FY06. Applications are coming in for different projects.

Ms. Gillen reported that on the 19th of January, a news release was issued concerning the price and shortages on concrete and piping for irrigation projects. In 2004 new regulations were applied to contracts that prevent NRCS from escalating contract amounts due to inflation. There will be an opportunity to increase 2004 and earlier contracts by 15%, from March 1 to June 30, for EQIP and ground and surface water projects. There is an Energy Offset Initiative for contracts to complete contracts quickly so cost won't continue to increase on projects.

UTAH PARTNERS FOR CONSERVATION & DEVELOPMENT UPDATE

Ms. Sylvia Gillen reported that the Utah group that attended the Whitehouse Conference on Cooperative Conservation last summer will be going to Washington DC soon to meet with different federal department heads and show the progress that has been made in Utah and ask for funding and support to continue with these projects.

TIMELY OR URGENT ITEMS

Dr. Phil Rasmussen, USU Extension Service, reported on the new Vice President for Extension and Agriculture, Her name is Noelle Cockett, PhD. There is a new publication for direct marketing of beef.

Mr. Robert Newhall, USU Extension Service, handed out a report on NPS nitrate potential of hay bales in Utah.

Ms. Lisa Bryan, Bureau of Land Management (BLM), reported that no decisions have been made on the State Director or the Deputy State Director for the Natural Resources position yet. The Proposed Grazing Rule is still being finalized based on comments received on the draft last year. BLM National Office is emphasizing permit renewals and asking the Utah BLM to nearly quadruple the number of permit renewals, and supporting environmental analysis efforts that were completed last year. BLM has been active in developing cooperative agreements to share equipment and resources.

Project implementation has begun to reach their goal of 125 thousand acres of treatment for sage steppe restoration.

Deputy Commissioner Kyle Stephens, UDAF, reported for DNR Director Mike Styler, that there are a number of water usage bills being decided on by the Legislature. Larry Anderson, the Director of the UDNR Division of Water Resources is retiring in March. Larry will continue to serve on the Colorado River Salinity Control Forum for Utah.

AGRICULTURE RESOURCE DEVELOPMENT LOAN (ARDL) PROGRAM

LOAN AND REPAYMENT STATUS UPDATE

Mr. Richard Sandberg reported on the ARDL program status as of December 31, 2005. The total Legislative appropriation is \$17,675,725. The principal balance of loans is \$17,752,141, with \$1,518,958 in undisbursed funds, totaling \$ 19,271,099. There are 733 contracted loans, and 124 active applications. The average loan size is \$43,068. There were 4 loans 30 days past due. Principal repayments year to date are \$2,668,652, interest payments are \$401,018, penalty payments are \$8,625, totaling \$3,078,295. There have been, 78 loans paid off and 31 new loans, at a total of \$1,401,855. The average new loan size is \$45,221. \$53,920 was paid to UACD in TA fees.

There is \$727,617 in the ARDL bank account, and \$9,548,959 in the investment account. There is \$1,518,958 in undisbursed loans. There is \$4,708,633 in loan applications in process and \$1,121,801 in zone allocations, totaling \$5,830,434.

2006 LOAN FUND ALLOCATION TO ZONES

Mr. Richard Sandberg reported on zone allocations as follows: Zone 1 had a beginning balance of \$313,438, \$300,000 was added totaling \$613,438. Zone 2 had a beginning balance of \$83,175, \$100,000 was added totaling \$183,175. Zone 3 had a beginning balance of \$105,595, \$200,000 was added totaling \$305,595. Zone 4 had a beginning balance of \$223,418, \$800,000 was added totaling \$1,023,418. Zone 5 had a beginning balance of \$636,935, \$400,000 was added totaling \$1,036,935. Zone 6 had a beginning balance of -\$347,229, \$900,000 was added totaling \$552,771. Zone 7 had a beginning balance of \$106,469, \$227,184 was added totaling \$333,653. **A motion was made to approve the ARDL loan allocation to the zones by Mr. Bob Barry, seconded by Mr. Ralph Staheli. The motion passed unanimously by voice vote.**

LOAN APPLICATION CONSIDERATION

Mr. Richard Sandberg reported on a loan application for James A. Watson, J.A. Watson Family Limited Partnership of Downey CA for \$289,256. This loan would finance an irrigation project near Hamilton Fort, consisting of two pivots covering 280 acres with pipeline, and development of two wells. Repayment would be made by the sale of crops. Because of the ARDL policy change, a loan committee has approved this loan.

POLICY COMMITTEE REPORT

Mr. Dee Waldron reported the Committee discussed the above mention loan application by James Watson. The reason for the discussion was the fact that the project plan included the construction of a commodity shed to protect harvested crops to maintain feed value and keep nutrients from leaching out. It was determined that the shed should be eliminated from the project since it does not represent a direct basic resource conservation or water quality protection practice. It was felt that this could be perceived as direct competition with the private sector for financing of storage facilities. The proposed project is not near any surface stream, and does not provide for any monitoring of ground water quality. This does not preclude financing future projects where structures or other items are

legitimate components of comprehensive nutrient management plans or best management plans with direct resource conservation or water quality purposes.

The Committee again discussed the proposed new policy to be incorporated in Part 4 of the ARDL Policy and Guidelines concerning preservation of cultural resources and antiquities which may exist on lands affected by ARDL projects that have no federal funds attached. **A motion was made to approve the addition to ARDL policy by Mr. Dee Waldron, seconded by Mr. Stanley Wood. The motion passed unanimously by voice vote.**

USCC, SCD & PARTNERSHIP ITEMS

SCD PLANNING & REPORTING POLICY REPLACEMENT

Mr. Jake Jacobson reported that the policy for SCD Planning and Reporting needs updating since it was last revised 1997 and there is now an initiative to encourage SCDs to update their long range plans. A committee was formed to make recommendation for changes for this policy. It was decided to draft a replacement policy. A draft replacement policy was submitted earlier with the meeting notice. This policy will effect the requirements to prepare and submit SCD long range and annual plans. **A motion was made to accept the replacement policy with a few minor changes from the draft as the SCD Planning and Reporting policy by Mr. Bruce Karren, seconded by Mr. Larry Johnson. The motion passed unanimously by voice vote.**

Mr. Thayne Mickelson handed out a sample of an updated SCD long range plan, and how to write an annual work plan.

SCD SUPERVISOR 2006 ELECTION PROCESS UPDATE

Mr. Jake Jacobson reported that there are 2 Supervisor positions in each SCD up for election in 2006. All candidates have been chosen by nominee committees in each SCD and submitted to the USCC office. Legal notices were sent out to Utah new papers with coverage in each SCD on January 13 as required by the SCD state statute. Around 6,500 ballots were mailed to voters on January 23. The election will close February 17. An election process review committee will be convened to verify the election process and the election will be presented for certification at the March 6 USCC meeting, then elected supervisors will be notified and the new terms of office begins March 15.

NEW SCD SUPERVISOR TRAINING

Mr. Jake Jacobson reported than the core conservation partnership of UDAF/USCC, UACD, and NRCS will carry out training for newly elected SCD Supervisor. A training session is scheduled for April 18-19 in SLC.

SCD SUPERVISOR EXPENSE REIMBURSEMENT ACCOUNT (SERA) ITEMS

Mr. Jake Jacobson reported that in the past there has been about \$8,500 for SCD Supervisor out of state travel reimbursement. There have been different ways offering the money among the districts. Each way has not been overly successful in distribution and tracking because of the small amount each district gets. The UACD SERA Program Review committee recommended that all of the out of state travel money be reallocated for be used in the SERA in-state account. Mr. Jacobson indicated that another option is for the Commission to institute an SCD Supervisor leadership development program that would chose a few SCD Supervisors each year to travel to the national and southwest NACD meetings. It was decided to make the decision on out of state SERA at the March meeting.

Mr. Bruce Karren reported for the UACD SERA Program Review ad hock committee that evaluated the SERA program for possible upgrades. Two major concerns of the committee were that the amount SERA pay for meeting attendance, which is currently at \$12 per hour. This has not been increased

since 1992 and it does not include time traveling to and from meetings. The other concern was that hourly payment should apply to travel time to required meetings and activities. Other concerns were expressed. It was decided that before these types of changes could be made to the SERA program more funding would have to be obtained. The committee's recommendation on the out-of-state issue was addressed earlier.

SCDs OBTAINING STATE RISK MANAGEMENT POOL LIABILITY INSURANCE STATUS

Mr. Jake Jacobson reported that some SCDs have asked if SCDs are eligible for liability insurance from the State's Risk Management Office. It was decided by that office that SCDs are not currently eligible. A copy of a letter from that office to this affect was provided. State law would have to be changed to make them eligible.

2006 UT LEGISLATIVE ISSUES THAT MAY AFFECT SCDS

Mr. Jake Jacobson handed out a summary of the Utah legislative bills that might affect if passed the USCC or SCDs and the agricultural producers they serve. The following of these were highlighted:

1. Special Districts: repeal of obsolete districts.
2. Open and Public Meetings: Updating current law.
3. Governor's Budget: Wage and benefit increases for Soil Conservation Districts.
4. Archeological Resources (This may affect ARDL Cultural Resource Policy).
5. Rangeland Improvement Act - Creates new UDAF program.

USCC DIRECTORY: UPDATES REQUESTED

Copies of the USCC directory were provided and asked those present if they have updates.

REVISION OF USCC 2006 MEETING SCHEDULE

Mr. Jake Jacobson reported that the date selected for the November 10 2006 USCC meeting falls on Veterans Day. This meeting historically preceded or followed the UACD State Convention which is November 8-9. November 7, 2006 is General Election Day. It was decided to make a decision about the date at the March meeting.

CALENDAR OF FUTURE EVENTS

Next two USCC Meetings: March 6 at St. George; June 19 in Park City
UACD Sponsored Conservation District Day at the Legislature: Jan 25
NACD Annual Convention: Jan 29- Feb 1, 2006, Houston TX
2006 Ut Waters Users Workshop: March 7-8 in St. George.
2006 Ut Conservation Field Day: August 17 in Green River SCD

ADJOURNMENT

Meeting adjourned 3:52 p.m.

Sherie Edginton, Soil Conservation Program Secretary

K.N. "Jake" Jacobson, USCC Administrative Officer